

## Road Project Links Fort Bliss, Airport, East Side

by Sito Negrón



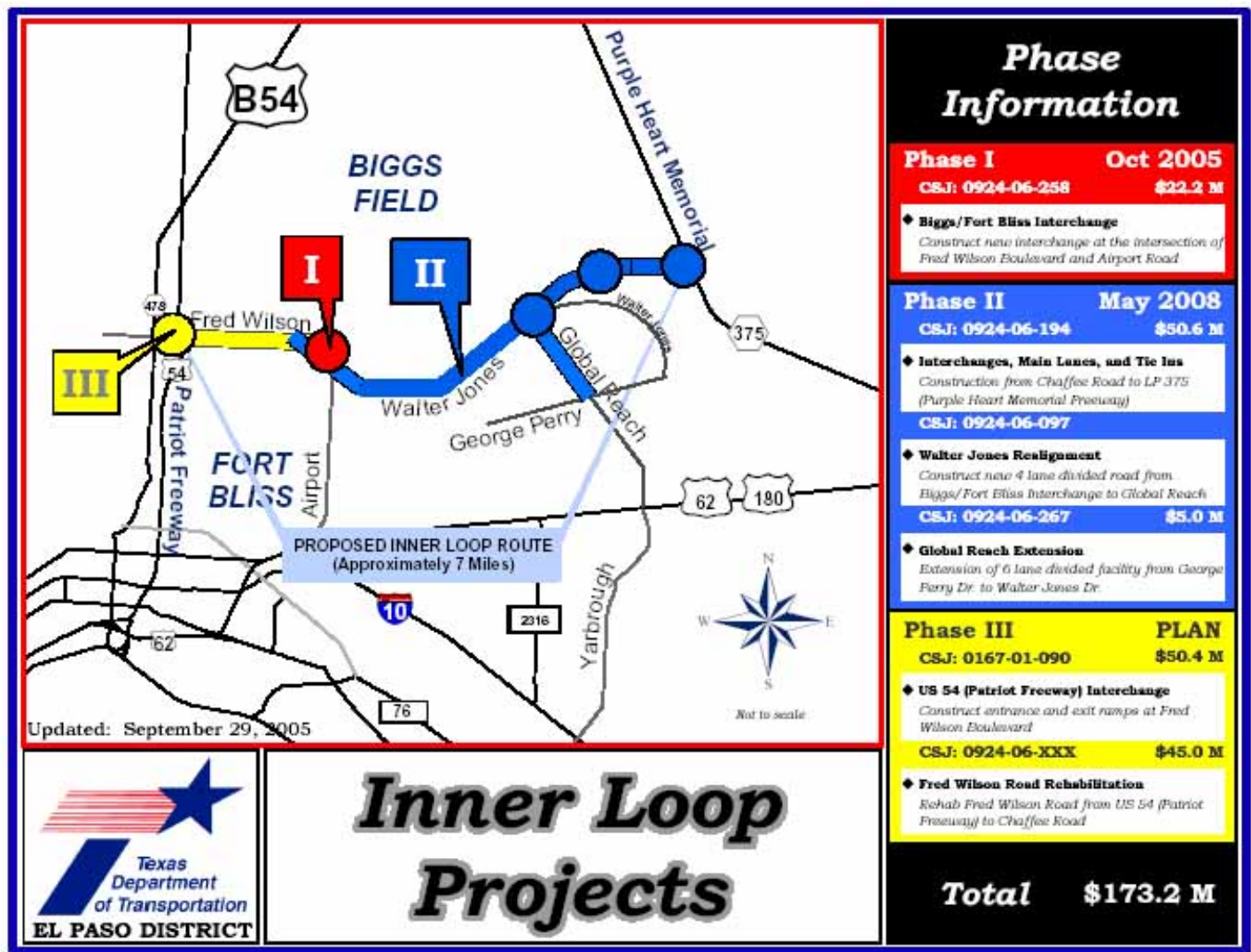
The Texas Transportation Commission will consider a proposal from road-building giant J.D. Abrams that officials say would speed up the Inner Loop highway project, a \$173 million road that ranks as one of the most significant transportation projects in El Paso in the last several decades.

“The governor made a pledge that if the BRAC comes we will build it,” Ted Houghton, one of three transportation commissioners, said of the Inner Loop, a 7-mile highway connection that would link the Patriot Freeway and Loop 375/Purple Heart Memorial via Fred Wilson.

The proposal is significant for two reasons:

-- It opens up seven miles of city for the multi-billion dollar military development at Biggs, makes the airport’s \$60 million investment in air cargo more valuable and enhances associated international trade and manufacturing, especially in Butterfield Trail, and connects to future residential development around Montana and Loop 375 on the East Side. It also has implications for cross border traffic and the connection from Zaragoza to the airport, and for a new international bridge between Yarbrough and Lee Trevino.

-- It marks the first proposal for use in El Paso of “pass-through” financing, which allows a private developer or consortium to finance a road and receive reimbursement from the state based on a formula that counts the vehicles “passing through” the new road. And it comes at a time when the city is attempting to form a Regional Mobility Authority, an entity with the power to sell bonds for major highway projects and use tolls to pay for the project, to complete the extension of the Border Highway from Downtown to around Sunland Park. [[city draft rma petition](#)] [[npt oct. 31 rma article](#)]



Together, the funding mechanisms hold the promise of releasing huge sums of money more quickly than historically has been the case, leading to large-scale projects that tie into what some call a historic opportunity to be a continental transportation hub. However, critics argue that an RMA would lead to highly unpopular tolls and a potentially semi-autonomous and unaccountable transportation authority.

The city will sponsor two public meetings this week to promote the RMA, proposed as the Camino Real Regional Mobility Authority, after the first presentation at a City Council committee drew fire from citizen activists and at least one council member uncomfortable with toll roads. The following week, the City Council will have a special meeting to discuss the issue. [[presentation](#)] [[public meetings](#)]

The Texas Transportation Commission will consider the Abrams proposal at its meeting in Conroe Thursday (Jan. 26). [[agenda](#)]

**JD Abrams Wants to Build It, and El Paso Really Wants It**

State Rep. Joe Pickett, a frequent critic of TxDOT who wrote a letter of support for the Abrams proposal, said the idea represents “the best of both worlds. It still has to do with borrowed money but it doesn’t impose (a toll) on the driving public.”

The concept is simple: Abrams would sell the bonds, raising the money for the project faster than could the state, and would be repaid through the “pass-through” formula, which uses vehicle counts as a basis for reimbursement. With the growth anticipated at Fort Bliss and the East Side, the project is prime for such a funding method.

Neither the state nor the company is releasing many details about the proposal, citing potential competition for the project. If the Transportation Commission approves the idea, it triggers a period -- generally 45 days, although the commission could extend the time frame -- for others to submit similar proposals.

Giving such specifics as the length of the bond and annual payments, and the proposed start and finish time, “would put us at a competitive disadvantage,” said Bill Burnett, El Paso district engineer for TxDOT from 1991 to 1993 and vice president of project development for JD Abrams.



He did say the proposal does not call for tolls, although the financing method technically is called “pass through tolling.”

“It would operate no differently than any regular highway,” Burnett said. “I don’t know why they use the term ‘pass through toll’.”

Since the state essentially is using the contractor like a bank by borrowing money against the future, it raises the question about whether the annual bond debt payments would come out of El Paso’s annual allocation of highway funds, something specifically allowed by the state under Proposition 14.

Houghton said that would not happen with the Inner Loop. “None of the pass through tolls we’ve done have come out of allocations,” he said.

El Paso District Engineer Chuck Berry, while not revealing how much more quickly the Abrams proposal would complete the Inner Loop, said “if we do this with traditional funding, we would take it to bid at the end of 2007, with probably two years worth of construction.” In addition, Berry said, only half the work -- from Airport Road to Loop 375 -- was actually scheduled, with the half from U.S. 54/Patriot Freeway to Airport “not scheduled because there was not identified funding for that project.”



Altogether, TxDOT estimates the project at \$173 million, although Berry said that might not be what the Abrams proposal calls for.

The proposed project -- which in one form or another has been on the books since the mid-90s -- includes interchanges at US 54, Chafee, Airport/Biggs at Global Reach (the extension at Yarbrough), a future interchange between Global Reach and Loop 375 for Fort Bliss, and another at Loop 375.

The Airport Road/Biggs interchange, a \$25 million project, is scheduled to start in

spring, Berry said.

### **“The Flow Between Northeast and East”**

“The biggest thing the Inner Loop opens up is the flow between Northeast and East, and it gives Fort Bliss through Biggs what they call a back door entrance,” Pickett said.

Airport Director Pat Abeln said the project adds value to the airport’s investment in more than 300,000 square feet of air cargo buildings and 37 acres of airplane parking over the past few years.

“We have more air cargo space under one roof than we have in the passenger terminal ... so this is a very big business for El Paso,” Abeln said.

The development constitutes an expense of “about \$60 million, counting all of the roadways, all the utilities, aircraft parking, the two buildings ... now, what we always wanted was an additional roadway to Loop 375. That’s the punchline,” Abeln said. “If you go back and look at our planning documents, and I’ll take you back to 1999, we show a roadway to Loop 375. ... But it’s always been financially just beyond our reach.”

In addition, the gravity created by increased development and activity related to defense industries around Fort Bliss helps the Airport’s commercial venture in a golf course.

“I don’t necessarily believe (the Inner Loop) will make a huge difference in the golf course but I do believe the military expansion in itself will make a larger universe of prospective clients for the golf course,” Abeln said.



Fort Bliss itself is expected to about double in size, to 32,000 troops, spokeswoman Jean Offutt said. "All the growth we expect in the next five to six years will be at Biggs," Offutt said.

According to the Jan. 10 Army Times, 20,000 soldiers and 33,000 family members will begin moving from Germany to Fort Bliss in fiscal year 2008. The move will take about three years, "with a full division and combat aviation brigade in place at Biggs Army Airfield by fiscal 2011," the article states.

Fort Bliss also will be home to the Evaluation Brigade Combat Team, which is being called in numerous press reports the Future Combat Systems program. The Army Times article quoted Brig. Gen. (P) Robert P. Lennox, Fort Bliss commanding general, as saying that part of the team will arrive on post this summer. According to the article, the Army will begin fielding Future Combat Systems technology, a \$20 billion program, in 2010.

In addition, states the article, "Boeing, which has been contracted to oversee FCS testing at Fort Bliss, already has started sending contractors to the post. About 300 Boeing contractors are expected to be there by 2008."

### **A New Living Arrangement**

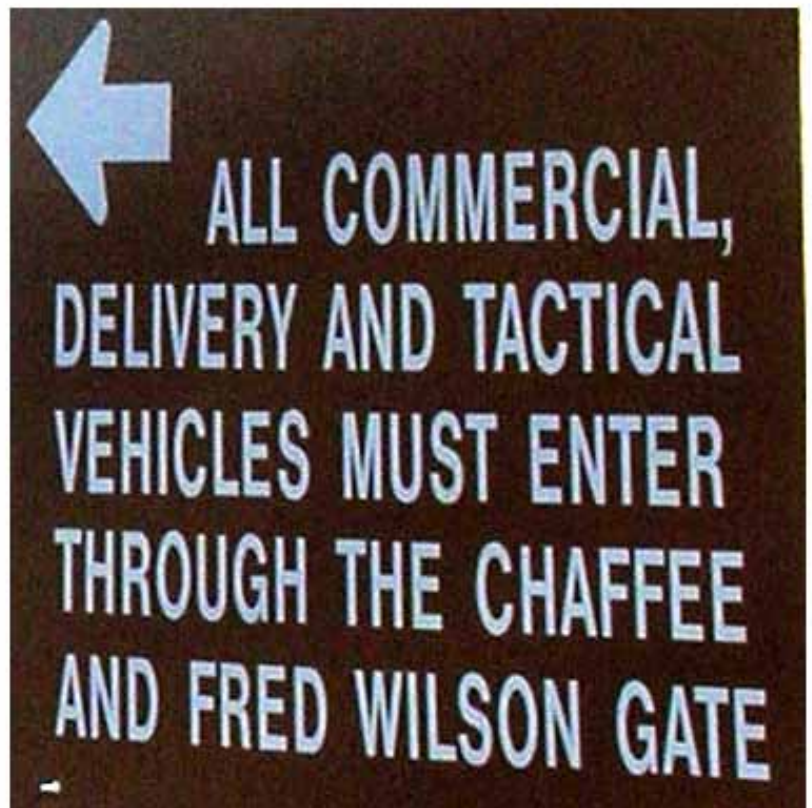
That will constitute billions in construction and related economic impact, including salaries, defense-related industries, and housing -- including residential growth related to Fort Bliss on the East Side, a new development.

"Any access to that area, whether through the Loop or additional gates or whatever, will certainly make it a lot easier for those who live there and want to come onto the base," Offutt said of the East Side.

"Traditionally with the Fort Bliss troops, it's been 80-90 percent living in the Northeast, but we've always had abundant land and abundant lots. Right now we don't even have a lot in Northeast," said Bobby Bowling, a developer whose family owns Tropicana Homes.

"With everything in the hands of the PSB and political whims like we experienced a couple years ago with moratorium we started looking east and we said with Montana and Loop 375 this is a 10- to 15-minute drive to Fort Bliss. We think that as opposed to 10 to 15 percent of military (personnel) living on the East Side in the past we might have 25 to 30 percent, maybe even half of them," Bowling said.

The Inner Loop project, he said, was key to opening the area up. "I was under the impression it would



get done one way or other and it did factor into our decision to buy land on East Side.”

Veronica Callaghan, a member of the mayor’s Transportation Cabinet, the Foreign Trade Association, and the Paso del Norte Group, called the Inner Loop a “centerpoint for mobility.”

“As we say, transportation is destiny. You facilitate a connection there and you’ve built a whole other centerpoint for mobility, which the community needs,” Callaghan said.

### **“There’s More to Come”**

The Abrams proposal may happen quickly and be easier to handle in terms of political controversy because it’s driven by the military expansion at Fort Bliss, has the state’s blessing, and does not involve tolls.

However, “There’s more to come as far as projects are concerned,” said Houghton, who like Callaghan is a member of the Paso del Norte Group, which is promoting the RMA concept.

The first project proposed for the Camino Real RMA would be the border highway extension.

“The Border Highway is a huge project (estimated at hundreds of millions). There has to be community involvement to get those types of projects done,” Callaghan said.

The 7-mile stretch of Border Highway from Downtown heading west is proposed as an express toll, four-lane elevated freeway. The elevated freeway was proposed as far back as 1994, according to the city’s petition to the state to form an RMA.



The petition also includes as potential projects for an RMA a Northeast Parkway, which would shoot traffic from Loop 375 to the Anthony Gap, and countywide mass transit.

Houghton said the Camino Real RMA would be the seventh in the state, and follows El Paso's border competitors -- Cameron County, Hidalgo County, and San Antonio.

"We just need to get on with it and let these folks start looking for projects they can finance," he said.

A Regional Mobility Authority, or RMA, is "a political subdivision formed ... to finance, acquire, design, construct, operate, maintain, expand or extend transportation projects," according to a brochure published by TxDOT. [[link to txdot summary of hb 3588](#)]

Randall Dillard, TxDOT spokesman, said "what we're interested in is private sector innovation and resources to develop our transportation system."

Dillard said the agency has five goals -- reduce congestion, improve safety, expand economic opportunity, improve air quality, and increase the value of the system.

A state Mobility Fund of \$3 billion is available to match funds that RMAs develop, generally through tolls. The tolls, and the issue of creating an authority in the first place, have drawn opposition, including that of Pickett, who in particular said he is concerned about creating such a powerful entity.

For the proposed Camino Real RMA, the El Paso City Council would appoint six board members and the governor would appoint the chair.

"My objections are still not so much tolls, but the regional toll authority. Five years down the road, if we want to present a toll project we can. If we create an RMA, we have to toll," Pickett said.

During discussions on the issue in public meetings, however, proponents of the idea questioned how else to fund projects like the Border Highway, which they say are crucial to developing the regional as a continental transportation hub. [[mpo oct. 28 minutes](#)]

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